



# GENERALI

Assicurazioni Generali S.p.A.

## ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

OF 27, 28 and 29 APRIL 2006

### ITEMS OF THE AGENDA

#### Ordinary resolutions

##### **1. Financial statements as at 31 December 2005: relating and connected resolutions**

Shareholders will be asked to consider and adopt the Company's financial statements as at 31 December 2005.

Shareholders will also be asked to declare a **final dividend of € 0.54 per share** (about € 689 million in the aggregate), with a 25.6% increase compared to the € 0.43 per share dividend (about € 548 million in the aggregate) distributed in the previous financial year.

Subject to the Shareholders' Meeting approval, the Company will pay the above-mentioned dividend as from 25 May 2006, and shares will trade ex-dividend from 22 May 2006.

##### **2. Appointment of a Director**

Given the early demise of Mr. Tito Bastianello, member of the Company's Board of Directors, Shareholders will be called upon to approve a proposal on the appointment of a new Director, who will hold office for the remaining term of the Board of Directors, which started on 24 April 2004 and will expire upon the approval of the financial statements of the year ending on 31 December 2006.

##### **3. Appointment of the General Council**

The 2006 meeting marks the end of the term of office of the General Council, which is a high advisory body within the Company dealing with all issues concerning the expansion of the Group in international insurance markets and, in general, with insurance and financial problems concerning the Group's interests. Pursuant to Article 27 of the Company's Articles of Association, the General Council consists - in addition to the Company's members of the Board of Directors and General Managers - of not less than

15 and not more than 35 members appointed by the Shareholders' Meeting.

With regard to the above, Shareholders will be called upon to pass the following resolutions:

- to establish the number of the General Council elected members to 22 for the 2006/2008 term;
- to confirm as General Council members the current members, i.e.: Giorgio Davide ADLER, José Ramón ALVAREZ RENDUELES, José Maria AMUSATEGUI de la CIERVA, Raymond BARRE, Claude BEBEAR, Kenneth J. BIALKIN, Giacomo COSTA, Maurizio DE TILLA, Enrico FILIPPI, Carlos FITZ-JAMES STUART y MARTINEZ de IRUJO, Albert FRERE, Roberto GONZALES BARRERA, Georges HERVET, Dietrich KARNER, Khoon Chen KUOK, Stefano MICOSI, Franca ORSINI BONACOSI, Arturo ROMANIN JACUR, Guido SCHMIDT-CHIARI, Theo WAIGEL and Wilhelm WINTERSTEIN;
- to appoint Mr. Francesco Maria ATTAGUILE, President of the Italian Notary Association, as new member.

##### **4. Granting of the mandate for the auditing of financial and consolidated statements for the financial years from 2006 to 2011; for the verification in the course of the above of proper accounting and correct reporting of the financial position and operational results of the Company; for the limited auditing of the half-year reports for such period**

The Meeting to be held to approve the 2005 financial statements will mark the end of the second three-year auditing mandate that the Shareholders' Meeting granted to PricewaterhouseCoopers S.p.A. on 26 April 2003.

Shareholders are therefore required by various provisions of law and regulations to grant the new mandatory

auditing mandates.

With reference to the above, also with the aim of ensuring compliance with the obligation to appoint a selected firm as the main auditor of the Generali Group and as auditor of the Group's consolidated statements, the Shareholders' Meeting will be called upon to approve the granting of the auditing mandate for the next six years to PricewaterhouseCoopers S.p.A., which has submitted an estimate accordingly. Taking into account the contribution to be given by the relevant Company department, the rates for each financial year have been determined as follows:

- 1) the audit of the financial statements of the Parent Company will require 4,140 working hours for a total amount of Euro 271,000.00; in this respect, the accounting of foreign subsidiaries will also need to be audited, requiring 2,794 hours of work for a total amount of Euro 195,806.00;
- 2) the consolidated statements will require 2,940 working hours for a total amount of Euro 212,500.00;
- 3) the verification of the proper corporate accounting and the correct reporting of the financial position and operational results of the Parent Company will require 640 working hours for a total amount of Euro 33,000.00;
- 4) the limited auditing of the half-year report and the consolidated half-year report will require 1,240 and 1,160 working hours for a total amount of Euro 49,500.00 and Euro 86,000.00 respectively.

Hourly rates will be updated each year starting from 2006 on the basis of the inflation rate, as determined by the Italian Institute of Statistics (ISTAT). Should the amount of hours turn out to be different from what expected due to unforeseen circumstances, the total amount due may change accordingly.

#### **5. Authorisation to purchase and to dispose of own shares**

The Shareholders' Meeting will be called upon to authorize the purchase and subsequent disposal of own shares, pursuant to Articles 2357 and 2357-ter of the Italian Civil Code and Article 132 of the Legislative Decree No. 58 of 24 February 1998.

This proposal is consistent with the 2006-2008 Strategic Plan and falls within a wider share capital optimization programme. This authorization is needed to provide the Company with an important tool to enhance flexibility at strategic and operational levels, while allowing the Company to dispose of its own shares, besides those previously acquired, for acquisition/exchange and/or assignment transactions. Finally, it must be noted that purchases may not be used instrumentally to reduce the

share capital.

In compliance with the limits set by Article 2357, paragraph 3, of the Italian Civil Code, the total par value of the maximum number of shares to be purchased may not exceed one tenth of the share capital (including any shares held by subsidiaries). Purchases - that may take place in one or several transactions - will be carried out within the extent permitted by distributable profits and available reserves, as shown in the latest approved financial statements, for a total maximum amount of Euro 1,800 million.

Shareholders will be required to authorize the purchase of own shares for a period of 18 months as from the date of the resolution, while the authorization to dispose of the shares will have no time limit.

The minimum price for the purchase of ordinary shares may not be lower than the par value of the shares, i.e. Euro 1,00 each, while the maximum price may not exceed by more than 5% the Stock Exchange quotation of the shares on the day before each purchase transaction.

The transfer consideration may not be lower than 5% of the Stock Exchange quotation of the shares on the day before each transfer transaction.

Transactions for the purchase of own shares are regulated by Article 132 of the Legislative Decree No. 58 of 24 February 1998, and Article 144-bis, paragraph 1, b) and c) of the Regulation on Issuers, adopted by CONSOB with resolution No. 11971 and subsequent amendments of 14 May 1999. They must be carried out following the regulations of Borsa Italiana S.p.A. so as to ensure equal treatment of shareholders. Transfers may be carried out in one or several transactions, also before the end of purchase transactions, by trading in the Stock Exchange, block trading, by public tender, or as a consideration for the purchase of shareholdings, and for assignments to shareholders, and will be disclosed in the accounts in compliance with the law and the applicable accounting standards.

#### **Extraordinary resolutions**

- 6. Stock option plan. Increase in the share capital to the service of the Plan concerning the Chairman and the Managing Directors of the Company. Consequent amendments to Article 8 of the Company's Articles of Association: relating and connected resolutions**

The Shareholders' Meeting will be called upon to approve the adoption of a stock option Plan concerning the

Chairman and the Managing Directors of the Company.

Such initiative is advisable not only in consideration of the extremely good results achieved by the Generali Group over recent years thanks to the valuable contribution of its top management, but also in view of boosting its motivation, while protecting and aligning the financial interests of all Shareholders with the Management's vision towards the common goal of further increasing the value of shares.

Therefore, the performance of the Plan beneficiaries will be further enhanced and driven towards the results defined in the 2006/2008 Generali Group Strategic Plan with the aim of ensuring economic, financial and asset-related development of the Company and the Group.

Against this background, the proposed stock option Plan covers the same period as the Strategic Plan (three years from 2006 to 2008), providing the above-mentioned top managers with up to 4,500,000 option rights.

In particular, the Plan concerning the Chairman will be implemented by means of the purchase of own shares to the service of the options. The purchase and any consequent disposal (up to No. 1,500,000 shares) will take place in compliance with the buy-back rules and limits referred to in item No. 5 of today's Meeting agenda, and subject to the prior authorization of the Shareholders' Meeting pursuant to articles 2357 and 2357-*ter* of the Italian Civil Code.

The Plan concerning the Managing Directors will be implemented by means of increases in the share capital, effected by the Board of Directors by way of delegated authority, pursuant to Article 2443 of the Italian Civil Code. Therefore, the share capital will be increased by 3 million shares from the special reserves that the Board of Directors may use to this end pursuant to article 8.3 of the Company's Articles of Association.

The different implementation of the two plans is due to the fact that Managing Directors are also managers of the

Company.

**7. Stock grant plan. Authorisation to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, to increase the share capital in compliance with the stock grant Plan for the employees of the Company and its subsidiaries. Consequent amendments to Article 8 of the Company's Articles of Association: relating and connected resolutions**

Last March, an agreement was reached with the Trade Unions on the renewal of the Generali Group's Supplementary Corporate Contract providing for, *inter alia*, a stock grant under article 2349 of the Italian Civil Code (hereinafter referred to as "stock grant") to the Company's employees and to employees of some Italian Group companies.

The shares granted to each employee will have a regular accrual period as from 1 January 2006 and may not be transferred for three years since the granting date.

With a view to implementing the above-mentioned "stock grant Plan", the Shareholders' Meeting will be called upon to approve the proposal to authorise the Board of Directors, pursuant to article 2443 of the Italian Civil Code, to increase the share capital, in one or several tranches, within five years from the date of the Shareholders' resolution, i.e. by 29 April 2011, up to Euro 500,000.00, by issuing a corresponding number of new shares with a par value of Euro 1,00 each, which in turn requires Article 8.4 of the Company's Articles of Association to be amended.

For further information on the Company's financial statements as at 31 December 2005 and on the other items of the agenda, please visit the website [www.generali.com](http://www.generali.com) or request that the newsletter "Investor's info", the full Generali financial statements and the Directors' Report be sent to your address.